

CONFIDENTIAL*Return to Comptroller*
200660
20 June 1960**MEMORANDUM FOR: Acting Director of Central Intelligence****SUBJECT: 1. Agenda Item 7 - Estimated Foreign Intelligence Costs for Fiscal Year 1959**

1. The report has been prepared in the form preferred by the majority of the members of the Cost Estimates Committee.
2. This report is less comprehensive than those prepared in previous years because:
 - a. All reporting agencies except the Joint Staff and OSO/OSD have "integrated" their auxiliary activity (Support) costs among the collection and production items.
 - b. The Navy and Air Force have included all their production costs under the single heading of Naval and Air Intelligence, respectively.
 - c. Use of the "integrated" method of presentation makes it impossible to compare the Fiscal Year 1959 data with any of the three previous years for which cost estimates have been prepared, except for grand totals. In addition, no figures will be shown for such major support activity as Research and Development, Communications, Training or Administration.
3. The inclusion of auxiliary activity costs for the integrated part of the collection and production is provided for in the instructions approved by the USIB. However, it is also provided that any reporting member may show such costs as separate items if they choose to do so.

DOC <u>1</u>	REV DATE <u>1 APR 1961</u>	BY <u>[]</u>
ORIG COMP <u>—</u>	OPI <u>38</u>	TYPE <u>OT</u>
ORIG CLASS <u>5</u>	PAGES <u>1</u>	REV CLASS <u>C</u>
JUST <u>22</u>	NEXT REV <u>2011</u>	AUTH: NR 70-2

CONFIDENTIAL